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City of Milpitas
455 E. Calaveras Boulevard
Engineering Division
Special Projects Section
Milpitas, California 95035

August 16, 2005

TO: Prospective Buyers

SUBJECT: Request For Proposals (RFP) to purchase and remove the historic "Winsor Blacksmith Shop" building currently located at 116 North Main Street, Milpitas

Your organization has been contacted to inform you of the RFP process for purchase and removal of the historic "Winsor Blacksmith Shop" building currently located at 116 North Main Street, Milpitas.

Please find attached for your use the following:

1. Request For Proposals (RFP) for purchase and removal of the historic "Winsor Blacksmith Shop" building
2. Exhibit A – North Main Street Development project site map
3. Exhibit B – Scope Of Required Minimum Duties And Services
4. Exhibit C – Sample Purchase and Removal Agreement

A pre-proposal meeting will be held on August 24, 2005 at the Milpitas City Hall Committee Room at 455 E. Calaveras Boulevard. Proposal packets must be submitted no later than 1:00 pm on September 7, 2005, at the Public Service Counter, Milpitas City Hall.

If you have questions about the documents, please contact Jorge Bermudez at (408) 586-3404 or Mark Rogge at (408) 586-3403.

Sincerely,

Mark Rogge, PE
Capital Improvement Program Manager

attachments:

1. Request For Proposals (RFP) for purchase and removal of the historic "Winsor Blacksmith Shop" building
2. Exhibit A – North Main Street Development project site map
3. Exhibit B - Scope Of Required Minimum Duties And Services
4. Exhibit C – Sample Purchase and Removal Agreement



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City of Milpitas
Engineering Division
Special Projects Section
455 E. Calaveras Boulevard
Milpitas, California 95035

**REQUEST FOR PROPOSALS (RFP)
TO PURCHASE AND REMOVE THE
HISTORIC "WINSOR BLACKSMITH SHOP" BUILDING**

INTRODUCTION

The City of Milpitas Redevelopment Agency (Agency) is seeking a buyer to purchase and remove the historic "Winsor Blacksmith Shop" building, currently located at 112 North Main Street in Milpitas, Santa Clara County, California. The Agency is not offering any land, real property or real estate for sale. The sale and removal of the "Winsor Blacksmith Shop" building (hereinafter referred to as Shop), is subject to certain restrictions, covenants and requirements indicated below and in the attachments and exhibits. Time is of the essence, particularly because clearing the Real Property, upon which the Building sits, is necessary to prepare the site for construction of a new library and parking garage.

BACKGROUND

City of Milpitas

The City has a population of approximately 65,000 and is located in the Silicon Valley, between the cities of San Jose and Fremont. Growth was experienced immediately after incorporation in 1954, when the population was 825. As the population has grown, it has become more diverse. Today, over 50 languages are spoken amongst Milpitas residents, making the City one of the most diverse in the nation.

North Main Street Development Projects

The North Main Street Development (NMSD) is comprised of a number of individual projects including:

- *City of Milpitas Public Library* This project involves design and construction of a new 60,000 square-foot library, including the rehabilitation and restoration of an historic grammar school building. The library is being designed by Group 4 Architecture + Planning. Schematic Design has been approved. Design Development is underway.
- *Midtown East Parking Garage* This project involves design and construction of structured parking to serve the new Library and other Midtown uses. The Midtown East Parking

Garage is being designed by Chong Partners. The conceptual design is complete and schematic design is underway.

- *Streetscape, Circulation and Utility Improvements* The streetscape in the area will be reconstructed to the Midtown Streetscape, which calls for pedestrian-friendly sidewalks with trees, and decorative lighting and signal standards. To support the new streetscape, new utilities are being installed. Streetscape improvements include North Main Street from Weller Lane to Carlo; new landscaped driveways to the East Parking garage, a new Cul-de-Sac at the northern terminus of Winsor Avenue, Carlo from Main to Winsor, and Weller Lane from Abel to Main Street. The public right-of-way on the northern portion of Winsor Avenue and the eastern portion of Weller Lane are being vacated. Construction of the utility improvements has begun on portions of the former Weller Lane, Winsor Avenue, and a City parking lot beneath SR 237/Calavares Boulevard. The design of the rest of Main Street utilities is nearing completion by Harris & Associates. The streetscape design by BKF is underway.

The North Main Street Development projects are further described in a CEQA Environmental Impact Report, which was certified by the City Council on January 4, 2005. This report is available for download on the City's website. The site is located in the Redevelopment Agency area and within the Midtown Plan area of the City of Milpitas in Santa Clara County, California.

Winsor Blacksmith Shop Sale and Relocation Information

On August 2, 2005 the City's Redevelopment Agency acquired real property, consisting of two parcels (Assessor's Parcel Numbers 282-40-026 and 282-40-020) at 116 North Main Street, for the construction of the City's new Library and Midtown East Parking Garage. All structures on the newly acquired property must be removed and the site cleared for construction. The property contains the former "Winsor Blacksmith Shop" building built in 1926.

The Shop consists of the original Blacksmith Shop building, several major additions, and a tank house. The general dimensions are approximately as follows:

<u>Component</u>	<u>rough size</u>	<u>rough area</u>
Original Blacksmith Shop	32' X 60'	1920 Square feet
South Addition	30' X 55'	1650 Square Feet
East Addition	32' X 21'	672 Square Feet
Connector		292 Square Feet
<u>Tank House</u>	<u>14 X 14</u>	<u>196 Square Feet</u>
Total aggregation		2730 Square Feet

The Shop is generally wood frame construction with vertical wood siding, and large rolling wooden doors. The roof consists of built-up wood trusses, covered with metal sheathing. The Shop currently sits on concrete perimeter foundations, with a concrete floor.

Proposals for purchase and removal of the entire Shop building are preferred. However, a proposal to purchase and remove one of the components may be considered.

Several of the exterior wood siding boards have historic marks from brands fabricated at the Shop. The City will retain these boards along with other historic features unless the proposed end use provides suitable public display of these historic relics.

The Environmental Impact Report for the North Main Street Development project found that the Winsor Blacksmith Shop meets the definition of a historical resource under the California Environmental Quality Act (CEQA), and included several mitigation measures:

- After property acquisition, the City shall offer the Winsor Blacksmith Shop for purchase to be removed from the property at buyer's expense and transferred to a new lot within Milpitas. Title to the building shall be transferred subject to a covenant that requires preservation of the building's historic features.
- If no bids are received or if building relocation is not feasible, the City will produce a full set of Historic American Building Survey (HABS)-style photo documentation, a history of the Winsor Blacksmith Shop, and a brochure; and salvage architectural elements and boards with brands from the building and incorporate them into a display.

AVAILABLE REPORTS

The following reports are available upon request

- *City of Milpitas, North Main Street Development Project, Final Environmental Impact Report*, LSA Associates, Inc., October 2004
- *Phase I Environmental Site Assessment, Proposed Parcel Additions No. 1 and 2, 230 North Main Street, Milpitas, California*, Pinnacle Environmental, Inc., 18 August 2004
- *SCVWD Underground Service Tank Leak Investigation and follow-up reports, letters and related documents, for 130 Winsor Street, Milpitas, CA, SCVWD ID No. 06S1E07C02f, LOP No. 14-335.*
- *Schematic Design Plan for New Milpitas Library*, by Group 4 Architecture + Planning.
- *Conceptual Design Plan for Midtown East Garage*, by Chong Partners.

INSURANCE

Buyer shall provide and maintain insurance that protects the City against loss from liability imposed by law for damage to any property caused directly or indirectly by the performance or execution of this contract or any subcontract thereunder, which insurance shall also cover accidents arising out of the use and operation of automobiles and trucks. Said policy shall include, but not be limited to coverage for the omissions and supervisory acts of the City, its officers and employees, and in accordance with the provisions set forth in the Sample Agreement.

Said policy shall also provide that the coverage afforded thereby to City, its officers, engineers and consultants, and employees, is primary coverage to the full limit of liability stated in the Declaration, and if the City, its officers or employees have other insurance against loss covered by said policy, said other insurance shall be excess insurance only, and that City, its officers and employees are not precluded from claims thereunder against other insured parties.

Comprehensive General and Automobile Liability:

General & Automobile Liability	\$1,000,000 per person \$1,000,000 for each occurrence
Property Damage	\$1,000,000 for each occurrence \$1,000,000 aggregate

Proof of all such insurance shall be given by filing certificates of such insurance with the City Engineer prior to execution of the contract by the City.

Workers Compensation Insurance:

The Buyer shall obtain and maintain statutory workers compensation and employers liability in an amount not less than One Million Dollars (\$1,000,000) and furnish City with a certificate showing proof of such coverage.

HOLD HARMLESS

The Buyer must agree to and shall hold City and its Redevelopment Agency, its elective and appointive boards, commissions, officers, agents, registered volunteers, and employees harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage and any other claims of any sort whatsoever, including, but not limited to, any liabilities, claims, losses, or expenses in any manner caused by, arising out of, or in connection with, either directly or indirectly, the construction or installation of the work, the guarding of the work, the use of improper materials in construction of the work, or the negligent, willful, or intentional acts or omissions by Buyer or Buyer's subcontractors, agents, or employee operations under this Agreement, whether such operations by Buyer or by any of

Buyer's subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for Buyer or any of Buyer's subcontractors during the progress of the work or at any time before its completion and final acceptance, excepting suits and actions brought by the Buyer for default of this Agreement or arising from the sole gross negligence or willful misconduct of the City or Redevelopment Agency. The City Council may retain monies as shall be reasonably necessary to protect the City, until disposition has been made of such suits or claims for damages as aforesaid.

The Buyer agrees to and shall pay City's and or Redevelopment Agency's cost of defense (or, at the sole option of the City, Buyer shall defend with counsel approved by the City Attorney) and indemnify City and Redevelopment Agency and its elective and appointive boards, commissions, officers, agents, and employees from any suits or actions at law or in equity arising out of the execution, adoption or implementation of this Agreement (exclusive of any such action brought by Buyer), such indemnification to include all costs of defense, judgements, and any awards of attorneys' fees.

Should any accident or incident causing death, personal injury or property damage occur between the date Buyer is notified that its General Liability and/or Workers Compensation Insurance is canceled and the effective date of such cancellation, Buyer's obligation to indemnify, defend and save harmless the City and Redevelopment Agency, as provided for hereinabove, shall in no manner be affected by the fact that the City and/or Redevelopment Agency had not received the notice of cancellation prior to the date of such accident or incident.

BONDING REQUIREMENT

The Buyer agrees to post a Faithful Performance Bond and payment bond for Labor and Materials, or other guarantees, in the required amounts upon bond forms provided by the City, guarantying the performance of the terms of the Agreement.

SCOPE OF WORK

Proposals to purchase and relocate the historic blacksmith shop building, currently located at 112 North Main Street shall include the following minimum requirements:

1. Provide all documentation required in the Agreement, including execution of the Agreement.
2. The building and related structure must be removed from the property as soon as possible and no later than October 14, 2005
3. Buyer shall obtain, comply with and pay for a City Building Permit and all other required permits.
4. Buyer shall provide proof of ownership of property that will receive the relocated buildings and related structures. Owner of the property shall record an historic preservation covenant against the property and the historic building requiring that the building's historic features shall be protected and the owner shall comply with applicable regulations and other requirements. Owner further agrees to offer the

- building for sale with similar conditions of historic preservation if the building is no longer wanted, prior to applying for any permit to destroy or modify the building in a manner that would lose its historic character.
5. Buyer shall pay all costs related to design, construction, relocation, transportation, foundation and installation, and all related work necessary to raise, transport and relocate the building to the new site. A proposed new location in or close to Milpitas shall be preferred over a more distant site.
 6. Buyer does not gain any property rights to any real property owned by the City of Milpitas. Buyer acknowledges that the City has no property suitable for relocation of the buildings or for sale or lease.
 7. Buyer shall secure all permits and rights-of-way to transport the building, including the costs to temporarily relocate overhead utilities, shore bridges, or other means necessary to transport the building.
 8. Buyer shall pay the City for purchase of the City an amount no less than \$10.00

Time is of the essence.

SELECTION PROCESS

The Buyer must comply with the following eligibility requirements:

- Provide and commit to a schedule that meets the milestone dates indicated in the RFP schedule.
- Identify the key personnel who shall be available and responsible to complete each of the tasks in the schedule and required by the agreement.
- Identify the receiving real property, where the Winsor Blacksmith Shop building will rest, along with the name of the owner and the owner's consent to receive and covenant the property.
- Buyer shall agree to execute the Winsor Blacksmith Shop purchase and removal Agreement (attached). This agreement contains indemnification provisions that require the Buyer to indemnify and hold harmless the City against any and all liability, as indicated in the Sample Agreement.

The following is the selection process to be used for determination of the most qualified Buyer:

- The City will review and rank the written proposals, based upon the following:
 - the earliest schedule to remove the Shop from City property.
 - the location of the receiving property within or near Milpitas.
 - the proposed restoration and end use of the building
 - the record of successful similar work performed for other cities/public agencies by the buyer.
 - other factors that would serve the Community.
 - completeness and responsiveness to this RFP.

Based on this review, and verification of written proposal materials submitted, the Review Board, which may consist of City staff and outside agency representatives, will make a recommendation to the City Council. Proposals that do not comply with the minimum requirements will be notified and may be rejected. The City Council reserves the right to accept or reject any and all proposals.

The selection committee may make a recommendation to the City Council, which shall make a final determination and approval of the buyer selected. The selected buyer is expected to execute the Agreement within two weeks of award notification.

TIME SCHEDULE

The time schedule for receiving proposals, selecting consultants, conducting interviews for the selection of the consultant firm to perform the work is as follows:

August 17, 2005	Issue RFP
August 23, 2005	10:00 AM Pre-proposal conference
September 7, 2005	1:00 PM Complete Proposals Due
September 12, 2005	Presentation to Park Recreation and Cultural Resources Commission of results of the RFP process.
September 20, 2005	City Council consideration
October 4, 2005	Last day to execute Contract and obtain building permits
<u>October 28, 2005</u>	<u>Building relocation to be complete.</u>
November 1, 2005	Scheduled demolition of slab & haz-mat evaluation of ground by City

Pre-proposal conference will commence at 10:00 AM in the City Hall Committee Room at Milpitas City Hall and will continue at the project site on North Main Street. Buyers who wish to submit a proposal are strongly encouraged to attend the pre-proposal conference.

Adherence to the time schedule above is important to meet the schedule for construction of the new library and parking garage. The Agency has a considerable amount of site preparation work that must occur before construction of the library and parking garage can begin, including hazardous material abatement that can only occur after the buildings are removed from the site. .

PROPOSAL REQUIREMENTS

Buyers choosing to respond to this RFP are required to submit all of the information outlined in this section and Attachment A. Buyers must indicate their willingness to execute the Agreement (Attachment B). Buyers must submit any requested changes to the Agreement with the RFP response. The City reserves its rights to accept, reject, or modify any requested revisions. The City shall not consider any requested revisions to the Agreement requested by the Buyer after submission of the proposal. However, the City reserves the right to modify and refine the scope of work, prior to execution of the contract.

In addition, interested Buyers are encouraged to submit any additional information available that demonstrates any distinctive qualities that positions them to be uniquely qualified for this opportunity.

To be responsive to this RFP, proposals shall be submitted in and specifically address all the information described as follows:

Proposal Package

The proposal shall be organized to provide the information required by this RFP.

The following information must be provided in the proposal so that the City may review the qualifications and approach to this type of project:

Section 1 Project Team and Qualifications

- The names and addresses of the responsible parties, along with names of consultants or contractors that will be used.
- The address of the receiving property along with owner's name and written, signed consent to receive the Shop and accept covenants on the land.
- Purchase Price to be paid to City's RDA (Minimum proposal is \$10.00)
- Provide names and qualifications of other key personnel, including subconsultants, to be used on this project, and their capacity or role, including applicable descriptions and dates of similar work these persons have been directly involved with. Include specifics about the duties performed.
- A list of pending or completed litigation within the past five years related to the Buyer's, or subconsultants work related to services performed by the Buyer or its subconsultants.
- Buyer shall provide a statement indicating the sample Agreement has been reviewed and if selected by the City, the Buyer shall execute this agreement and begin work immediately.

Section 2 Project Understanding and Challenges

- This section shall define the Buyer's understanding of the proposed draft scope of work, at a minimum, and shall describe the process that will be used to:
 - Prepare a plan for removal and relocation (Insurance, bonds, permits);
 - Prepare the building for removal (clearances from utilities, and regulatory agencies, building permit, protection, temporary shoring, etc.);
 - Prepare the route for passage of the building, (temporary overhead utility or sign relocations, permits for hauling and transport);

- Detach, disconnect and raise the building for transport, or disassemble and package;
- Transport of the building, along with route, and destination;
- Clean-up and repair of any damage caused by building disconnection and transport.
- Entitlements for the building to be placed at the new location (regulatory and code compliance, zoning and planning compliance, building permit, other permits, instruments to create property covenants and restrictions, etc.)
- Describe anticipated challenges that may prevent completion within the timeframe set forth in this RFP and proposed strategies to address these challenges.
- A detailed work plan outlining the proposed work steps for each of the major tasks;
- Provide a detailed time commitment (schedule) for completion of each of the various phases and major tasks, and completion date of the Risk Management Plan and construction documents. Allow sufficient time for City reviews and plan revisions.

Section 5 Appendix

Two complete copies of the proposal must be furnished. Failure to comply with these requirements may be cause for a proposal to be considered non-responsive; and therefore be rejected. The City reserves the right to waive any minor proposal irregularities.

The City reserves the right to adjust the scope of work and associated fees prior to execution of the contract. The City also reserves the right to amend or terminate the purchase and sale agreement.

**Submit Proposal packets no later than 1:00 pm on
September 7, 2005, at the Public Service Counter, Milpitas
City Hall.**

Address packets as follows:

***Proposal for Winsor Blacksmith Shop Purchase and Removal
City of Milpitas
City Engineer's Office
455 East Calaveras Boulevard
Milpitas, CA 95035-5411
Attention: Jorge Bermudez***

Note: Proposals received after the specified time and date will not be accepted.

If you have any questions or desire additional information, contact Jorge Bermudez, (408) 586-3404 or email jbermudez@ci.milpitas.ca.gov.

"WINSOR BLACKSMITH SHOP" BUILDING
PROPERTY PURCHASE AND SALE AGREEMENT

THIS PROPERTY PURCHASE AND SALE AGREEMENT ("Agreement") is entered into effective as of _____ 2005 ("Effective Date"), by and among the City of Milpitas Redevelopment Agency, a public body, corporate and politic, ("Seller"), and _____ ("Buyer"), for sale by Seller to Buyer and purchase by Buyer from Seller of certain property as hereinafter set forth.

Recitals

This Agreement is entered into upon the basis of the following facts, understandings and intentions of the parties:

A. Seller is the owner of that certain real property located at 116 North Main Street, Milpitas, California, further described as Assessor's Parcel Nos. 028-24-020 and 028-24-026, and more particularly illustrated in the attached Exhibit A, together with all improvements, structures, buildings and fixtures thereon ("Real Property"). An aggregation of buildings on the site is known as the "Weller Blacksmith Shop" (Building).

B. The North Main Street Development Environmental Impact Report (EIR) found that the "Winsor Blacksmith Shop" met the definition of an historical resource under the California Environmental Quality Act (CEQA), and prescribed certain mitigations with respect to the documentation, removal, and preservation of portions of the Building.

C. The Seller must remove the Building and clear the site for its planned construction of a new public library and parking garage, which are also covered under the EIR document. The seller offered the Building for sale and removal by advertising a Request For Proposals.

B. Buyer desires to purchase the "Winsor Blacksmith Shop" Building from Seller, and Seller desires to sell the "Winsor Blacksmith Shop" Building to Buyer on the terms and conditions of this Agreement.

C. Seller is a redevelopment agency existing pursuant to the Community Redevelopment Law, California Health and Safety Code Section 33000, et seq. Pursuant to its authority granted thereunder, Seller has the responsibility to carry out the Redevelopment Plan for the Project Area No. 1 Redevelopment Project Area ("Redevelopment Plan").

D. The Seller's Real Property, which it will retain, and the building, which will be sold are located in an area governed by the Redevelopment Plan. The purchase of the Building as provided for in this Agreement is consistent with and furthers the goals and objectives of the Redevelopment Plan.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants, promises and undertakings set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Agreement to Sell and Purchase. Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, upon the terms and conditions and for the consideration set forth in this Agreement, the Building. This agreement does not sell, transfer or otherwise encumber any land or other Real Property of the Seller.

2. Submittals and Exhibits. Upon the execution of this agreement and in no event later than seven (7) days after the Effective Date, Buyer shall submit all exhibits and submittals, including but not necessarily limited to:

- A. Insurance Certificates as herein described and acceptable to the Agency's Risk Manager;
- B. Faithful Performance and Payment Bond, or substitution of securities, as herein described;
- C. Schedule of each item of work necessary to remove the Building;

By October 4, 2005, Buyer shall comply with every requirement to obtain a Building Permit and shall obtain the Building Permit necessary for relocation of the Building.

3. Purchase Price. The purchase price that Buyer shall pay Seller for the Building shall be _____ United States dollars (\$) ("Purchase Price"). The Purchase Price shall be paid by Buyer to Seller immediately upon execution of this Agreement.

4. Title Documents. Within ten (10) days of the removal of the Building from Seller's land, Buyer shall deliver or cause to be delivered to Seller a recorded covenant on the Buyer's Real Property, where the Building will rest, that protects the Building's historic features.

Failure by the Buyer of any of the following shall terminate this agreement: (1) Obtain a Building Permit from the jurisdiction to which the Building shall be reset; or (2) to remove the Building by the required dates as contained in this Agreement.

Buyer or Seller shall have the option to terminate all rights or obligations under this Agreement upon written notice to the other, until the Building is removed from Seller's Real Property.

5. Closing: Documents. Seller. Within twenty-five (25) days after both the removal of the Building from Seller's Real Property and after receipt of the recorded covenants on Buyer's Real Property where the Building shall rest, Seller shall: Deliver a Grant Deed in a recordable form, or substantially in the form attached as Exhibit B ("Grant Deed"), duly executed and

acknowledged, conveying to Buyer good and marketable fee simple title to the building, subject only to the exceptions approved pursuant to this Agreement.

7. Costs. Buyer shall pay all title insurance and title report costs, escrow fees (including the costs of preparing documents and instruments), and recording fees.

Should any of the conditions fail to occur by the dates specified, excepting any such conditions that have been waived by Seller, Seller may terminate this Agreement.

8. Buyer's Additional Conditions. Buyer's obligation to purchase the Building pursuant to this Agreement are also conditioned on Buyer's inspection, examination, survey and review of the condition of the Building as described in subsections (a) and (b) below in this Section ("Due Diligence Conditions") during the Due Diligence Period (defined below) and Buyer's subsequent written approval of the Due Diligence Conditions within five (5) days of the end of the Due Diligence Period. The "Due Diligence Period" shall be the period commencing on the Effective Date and ending on the fourteenth (14th) day after the Effective Date.

(a) **Feasibility Studies.** During the Due Diligence Period, Buyer may inspect, examine, survey and review the Building for its feasibility for Buyer's intended use, including, without limitation, the physical condition of the Building. Buyer may consult or retain civil engineers, contractors, soils and geologic engineers, architects and other specialists in the investigation of Hazardous Materials in, on or under the Building, and may consult or retain other consultants to determine if the Building is suitable for Buyer's intended use. Notwithstanding any contrary provisions contained in this Agreement, Buyer may elect to terminate this Agreement based on information contained in feasibility/suitability studies or reports prepared by or on behalf of Buyer or based on information contained in studies or reports provided by Seller.

(b) **Other matters.** During the Due Diligence Period, Buyer may inspect, examine, survey and review any other matters with regard to the Building, including, without limitation, any and all studies or reports provided by Seller, lease documents or rental agreements, the compliance by the Building with all laws applicable now and in the future, and existing obligations relating to the Building. Notwithstanding any contrary provisions contained in this Agreement, Buyer may elect to terminate this Agreement based on information obtained during Buyer's investigation of the Building or based on information contained in studies or reports provided by Seller. During the Due Diligence Period, Buyer shall have the right to perform due diligence regarding the investigation, assessment, and monitoring of the environmental condition of the Building, and upon completion of the due diligence period, unless Buyer elects to terminate this Agreement pursuant to the terms hereof, the Buyer will purchase the Building in its "AS IS" condition as such property condition exists on the date of the end of the Due Diligence period.

Should Buyer fail to approve in writing the Due Diligence Conditions by the date specified, excepting any such condition that has been waived by Buyer, Buyer shall have the right, exercisable by giving written notice to Seller, to terminate this Agreement. Buyer is solely responsible for all costs expended or authorized by Buyer and damages to Buyer in the case of termination of this Agreement. The exercise of this right by Buyer shall not constitute a waiver by Buyer of any other rights Buyer may have at law or in equity.

9. Studies, Reports and Investigations. Throughout the Due Diligence Period, Seller agrees to immediately make available to Buyer any and all studies, reports and investigations concerning the Real Property which are in Seller's possession, including without limitation studies, reports and investigations concerning the Building's physical condition, habitability, the presence or absence of Hazardous Materials (as defined in attached Exhibit C) in, on or directly under the Building and the compliance by the Building with Environmental Laws (as defined in attached Exhibit C). Throughout the Due Diligence Period and without warranty of any kind as to the accuracy, completeness or thoroughness of any report, investigation or study, Seller further agrees to immediately disclose to Buyer all information in Seller's possession concerning the Building's physical condition, habitability, the presence or absence of Hazardous Materials in, on or directly under the Building and the compliance by the Building with Environmental Laws.

10. Right of Entry. During the Due Diligence Period, Buyer and Buyer's agents shall have the right, upon reasonable notice to Seller, to enter upon the Seller's Real Property for purposes of conducting Buyer's inspection, examination, survey and review of the Building in accordance with provisions above. Buyer's inspection, examination, survey and review of the Building shall be at Buyer's sole expense. Buyer shall obtain Seller's advance consent in writing to any proposed physical testing of the Building by Buyer or Buyer's agents, which consent shall not be unreasonably withheld or delayed if the purpose of such physical testing is consistent with this Agreement. Buyer shall repair, restore and return the Real Property and Building to its original condition after the undertaking of any such physical testing, at Buyer's sole expense. Buyer shall schedule any such physical tests during normal business hours unless otherwise approved by Seller. Buyer agrees to indemnify Seller and hold Seller harmless from and against all liability, loss, cost, damage and expense (including, without limitation, reasonable attorney's fees and costs of litigation) resulting from Buyer's or Buyer's agents entry upon the Seller's Real Property, except to the extent that such liability, loss, cost, damage and expense arises as a result of the negligence or other wrongful conduct of Seller or its agents. Buyer shall obtain and pay all costs associated with inspections, reports, and investigations obtained by or at the request of Buyer.

11. Seller's Conditions Seller's obligation to sell the Building pursuant to this Agreement are conditioned on: (i) the performance by Buyer of each obligation to be performed by Buyer under this Agreement within the applicable time period, or waiver by Seller of said obligation; and (ii) Buyer's representations and warranties contained in this Agreement being true and correct as of the Effective Date of this Agreement.

12. Possession. Seller shall allow reasonable access to the site and allow Buyer to remove and transport the Building to Buyer's Real Property within the time schedule and dates indicated in this agreement.

13. Authority of Parties. Seller warrants that this Agreement and the obligations contained here (i) has been authorized, executed, and delivered by Seller; (ii) are binding obligations of Seller; (iii) are collectively sufficient to transfer all of Seller's rights to the Building; and (iv) do not violate the provisions of any agreement to which Seller is a party. Buyer warrants that this Agreement and all other documents delivered prior to or at the close of escrow: (i) have been authorized, executed, and delivered by Buyer; (ii) are binding obligations of Buyer; and (iii) do not violate the provisions of any agreement to which Buyer is a party. Each of the parties to this Agreement represents and warrants that the persons who have executed this Agreement have been authorized to do so by the party on whose behalf the party is signing, that each party has a good and legal right to enter into this Agreement and to perform all of its terms and conditions, and that on execution of this Agreement this Agreement shall be valid and enforceable.

14. Damage and Destruction. In the event of any total damage or other total loss to or of the Building, caused by fire or other casualty prior to the removal of the Building from Seller's Real Property, Buyer shall be entitled to terminate this Agreement.

15. Brokers. Each party warrants and represents to the other that no person or entity can properly claim a right to a real estate commission, brokerage fee, finder's fee, or other compensation with respect to the transaction contemplated by this Agreement. Each party agrees to defend, indemnify and hold harmless the other party from any claims, expenses, costs or liabilities arising in connection with real estate commissions, brokerage fees, and finder's fees which may arise from this Agreement and be incurred by the other party.

16. Assignment. Buyer shall not have the right to assign any rights and obligations under this Agreement to any party unless approved in writing by Seller of any such assignment.

17. Insurance

A. Definition: For purposes of this section of the contract, the following definition applies: "CITY" includes the duly elected or appointed officers, agents, employees and volunteers of the City of Milpitas and the City of Milpitas Redevelopment Agency, individually or collectively.

B. Insurance Required: No work shall be done under this Contract unless there is in effect insurance required by the Contract and under this section, and such insurance has been approved by the CITY, nor shall the BUYER allow any subcontractor to commence work on his subcontract until all insurance required of the subcontractor has been so obtained and approved. The BUYER shall maintain or cause to be maintained adequate workers' compensation insurance as required under the laws of the State of California, for all labor employed by him or by any subcontractor under him who may come within the protection of such worker's compensation laws of the State of California and shall provide or cause to be provided employer's general liability insurance for the benefit of his employees and the employees of any subcontractor under him not protected by such compensation laws.

The BUYER shall furnish satisfactory proof, by certificate or otherwise as may be required, that it has taken out public liability and property damage insurance with insurance carriers satisfactory to the CITY, and in such form as shall be satisfactory to the CITY to protect said BUYER and said CITY as an additional insured against loss from liability imposed by law from damages on account of bodily injury, including death resulting therefrom, suffered or alleged to have been suffered by any person or persons other than employees, resulting directly or indirectly from the performance or execution of this contract or any subcontract thereunder, and also to protect said BUYER and said CITY as an additional insured against loss from liability imposed by law for damage to any property caused directly or indirectly by the performance or execution of this contract or any subcontract thereunder, which insurance shall also cover accidents arising out of the use and operation of automobiles and trucks. Said policy shall include, but not be limited to coverage for the omissions and supervisory acts of the CITY, its officers and employees.

Said policy shall also provide that the coverage afforded thereby to CITY, its officers, engineer and consultants, and employees, is primary coverage to the full limit of liability stated in the Declaration, and if the City, its officers or employees have other insurance against loss covered by said policy, said other insurance shall be excess insurance only, and that CITY, its officers and employees are not precluded from claims thereunder against other insured parties.

C. **Comprehensive General and Automobile Liability:** The BUYER agrees to obtain and maintain in full force and effect during the term of this Agreement comprehensive general and automobile liability insurance protecting Buyer in the amounts of coverage of not less than the limits shown below. Such insurance shall name CITY, as defined above, and as additional insured. Coverage shall be in accordance with the limits specified above and the provisions indicated herein. Claims-made policies are not acceptable. When umbrella or excess coverage is in effect, it must follow the form of the underlying coverage. Such insurance shall not be canceled or materially altered to reduce coverage without giving CITY at least thirty (30) days advance written notice of such cancellation or change, and it shall be the responsibility of BUYER to notify CITY of such change or cancellation.

General & Automobile Liability -----	\$1,000,000 per person \$1,000,000 for each occurrence
Property Damage -----	\$1,000,000 for each occurrence \$1,000,000 aggregate

Said policies shall have a non-cancellation clause providing that thirty (30) days written notice shall be given the CITY prior to such cancellation. Where the work includes a structure or structures subject to loss or damage by fire, the BUYER shall maintain or cause to be maintained fire insurance sufficient to protect against such loss or damage in full until the work is accepted by the CITY. Nothing herein contained shall be construed as limiting in any way the extent to which the BUYER may be held responsible for the payment of damages to persons or property resulting from his or her operations or operations of any subcontractor under him or her.

Proof of all such insurance shall be given by filing certificates of such insurance with the City Engineer prior to execution of the contract by the CITY.

D. **Certificates of Insurance with Endorsements:** The BUYER shall file the required original Certificate of Insurance with endorsements prior to the commencement of the work or event; it shall be subject to CITY's approval and shall clearly state:

1. Policy number; name of insurance company; name, address and telephone number of agent or authorized representative; name, address and telephone number of insured; Project name and number; policy expiration date; and specific coverage amounts;

2. That thirty (30) days cancellation notice, unqualified as to the acceptance of liability for failure to notify City; and

3. The Buyer's insurance is primary.

The Certificate with endorsements and notices shall be mailed to: City of Milpitas, Attention City Engineer, 455 East Calaveras Boulevard, Milpitas California, 95035.

E. **Workers Compensation Insurance:** The BUYER agrees to obtain and maintain statutory workers compensation and employers liability in an amount not less than One Million Dollars (\$1,000,000) and furnish City with a certificate showing proof of such coverage.

F. **Deductibles, Self-Insured Retentions, and Proof of Insurance:** Prior to commencing any work under this Agreement, deductibles and self-insured retentions acceptable to CITY must be stated on Certificates of Insurance, and the Certificate of Insurance must be approved by CITY.

G. **Absence of Insurance:** If the BUYER allows the insurance to lapse, be cancelled, or be reduced below the limits specified in this article, the Buyer shall cause all work in the Project to cease and any delays or expenses caused due to stopping of work and change of insurance shall be considered Buyer's delay and shall not be considered to increase cost to the CITY or increase time in which the Project shall be completed.

H. **Insurance Companies:** Insurance provided pursuant to this Contract must be from insurance companies admitted in California and rated at least A in Best's Insurance Guide; or such other insurance companies as are acceptable to CITY in its sole and unfettered decision.

18. Hold Harmless

The BUYER hereby agrees to and shall hold the City of Milpitas and the City of Milpitas Redevelopment Agency, its elective and appointive boards, commissions, officers, agents, registered volunteers, and employees, individually and collectively harmless from any liability for damage or claims for damage for personal injury, including death, as well as from claims for property damage and any other claims of any sort whatsoever, including, but not limited to, any liabilities, claims, losses, or expenses in any manner caused by, arising out of, or in connection with, either directly or indirectly, the construction or installation of the work, the guarding of the work, the use of improper materials in construction of the work, or the negligent, willful, or

intentional acts or omissions by BUYER or Buyer's subcontractors, agents, or employee operations under this Agreement, whether such operations by BUYER or by any of Buyer's subcontractors, or by any one or more persons directly or indirectly employed by, or acting as agent for BUYER or any of Buyer's subcontractors during the progress of the work or at any time before its completion and final acceptance, excepting suits and actions brought by the BUYER for default of this Agreement or arising from the sole gross negligence or willful misconduct of the CITY. The City Council may retain so much of the money due to the BUYER as shall be reasonably necessary to protect the City, until disposition has been made of such suits or claims for damages as aforesaid.

The BUYER agrees to and shall pay CITY's cost of defense (or, at the sole option of the CITY, BUYER shall defend with counsel approved by the City Attorney) and indemnify CITY and its elective and appointive boards, commissions, officers, agents, and employees from any suits or actions at law or in equity arising out of the execution, adoption or implementation of this Agreement (exclusive of any such action brought by BUYER), such indemnification to include all costs of defense, judgments, and any awards of attorneys' fees.

Should any accident or incident causing death, personal injury or property damage occur between the date BUYER is notified that its General Liability and/or Workers Compensation Insurance is canceled and the effective date of such cancellation, BUYER'S obligation to indemnify, defend and save harmless the CITY, as provided for hereinabove, shall in no manner be affected by the fact that the CITY had not received the notice of cancellation prior to the date of such accident or incident.

19. Bonding Requirement

The BUYER agrees to post a Faithful Performance Bond and payment bond for Labor and Materials, or other guarantees, in the required amounts upon bond forms provided by the SELLER, guarantying the performance of the terms of this Agreement.

20. Notices. All notices, demands, requests, and other communications between Seller and Buyer under this Agreement made by either party shall be in writing and shall be sent by registered or certified mail, postage prepaid, return receipt requested (in which case notice shall be deemed delivered three (3) business days after the date sent), or delivered personally (in which case notice shall be deemed delivered on the date of such delivery), addressed as follows:

Buyer:

Seller:

The Redevelopment Agency of the City of Milpitas
455 E. Calaveras Boulevard
Milpitas, CA 95035
Attention: Executive Director

with a copy to

Seller's counsel:

Meyers, Nave, Riback, Silver & Wilson
555 12th Street, Suite 1500
Oakland, CA 94607
Attention: Steven T. Mattas, Agency Counsel

Such written notices, demands, requests and other communications may be sent or delivered to such other addresses as the affected party may from time to time designate by giving notice to the other party. Notice of a change of address shall not be effective unless and until such notice is sent or delivered in accordance with this Section.

21. Litigation Costs. If any legal action or any other proceeding, including arbitration or action for declaratory relief, is brought for the enforcement of this Agreement or because of an alleged breach or default in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and other costs, in addition to any other relief to which the party may be entitled.

22. Waivers. No waiver of any breach of any covenant or provision of this Agreement shall be deemed a waiver of any other covenant or provision in this Agreement, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act, and no extension shall be valid unless in writing and executed by the waiving party.

23. Successors. This Agreement shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assignees of the parties to this Agreement.

24. Provisions Not Merged With Deeds. None of the provisions, terms, representations, warranties and covenants of this Agreement are intended to or shall be merged by the Grant Deed transferring title to the Building from Seller to Buyer, and neither such Grant Deed nor any other document shall affect or impair the provisions, terms, representations, warranties and covenants of this Agreement. The provisions, terms, representations, warranties and covenants of this Agreement shall survive the date of the removal of the Building.

25. Construction. Headings at the beginning of each Section are solely for the convenience of the parties and are not part of and shall not be used to interpret this Agreement. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it.

26. Action or Approval. Where action and/or approval by Seller is required by this Agreement, it may act on and/or approve such matter by and through its Executive Director, unless the Executive Director determines in his or her discretion that Buyer's Board must undertake such action and/or approval, in which case the Executive Director shall refer such matter to the Board for consideration. The time periods afforded Buyer for any event, inspection,

feasibility, due diligence, or other wise shall not be extended by any such referral to Seller's Board.

27. Entire Agreement. This Agreement including Exhibits A to C attached hereto contain the entire agreement between the parties and supersedes all previous or contemporaneous agreements, understandings, representations or statements between the parties respecting the purchase and sale of the Real Property.

28. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.

29. Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall continue in full force and effect unless the rights and obligations of the parties have been materially altered or abridged by such invalidation, voiding or unenforceability.

30. Third Party Rights. Nothing in this Agreement is intended to or shall confer upon any person, other than the parties to this Agreement and their respective successors and assigns, any rights or remedies under this Agreement.

31. Parties Not Co-Venturers. Nothing in this Agreement is intended to or does establish the parties as partners, co-venturers, or principal and agent with one another.

32. Conflicts of Interest. No member, official or employee of Seller shall make any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

33. Non-Liability of Officials, Employees and Agents. No member, official, employee or agent of Seller shall be personally liable to Buyer, or any assignee or successor in interest, in the event of any default or breach by Seller or for any amount, which may become due or its assignee or successor in interest on any obligation under the terms of this Agreement.

34. Time of the Essence. Time is of the essence for each condition, term, obligation and provision of this Agreement.

35. Amendment. This Agreement may be amended or modified only by a written instrument executed by Seller and Buyer.

36. Exhibits. Exhibits A to C referred to in and attached to this Agreement are incorporated herein by this reference and made a part hereof.

37. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

38. Effective Date. The Effective Date of this Agreement shall be the date that this Agreement is approved by Seller's Board.

39. Time for Performance. When the time for performance of any obligation under this Agreement is to be measured from another event, such time period shall include the day of the other event. If the day of the time for performance is not a regular business day, then the time for such performance shall be by the regular business day following such day.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

BUYER:

SELLER:

CITY OF MILPITAS REDEVELOPMENT AGENCY

By: Executive Director

ATTEST:

By: _____
Agency Secretary

APPROVED AS TO FORM:

By: _____
Agency Attorney

Exhibit A
Description of Building

Exhibit B

Grant Deed

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

)
)
)

REDEVELOPMENT AGENCY OF
THE CITY OF MILPITAS
455 E. Calaveras Boulevard
Milpitas, CA 95035-5479

)
)
)

EXEMPT FROM RECORDING FEES PER
GOVERNMENT CODE §§6103, 27383

(SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE)

GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged, the
Redevelopment Agency of the City of Milpitas, a public agency ("**Grantor**") hereby
grants to _____ the ("**Grantee**") an historic building
known as the Winsor Blacksmith Shop including the improvements and fixtures thereon
formerly located in the City of Milpitas, County of Santa Clara, State of California
described in Exhibit A attached hereto and incorporated herein.

IN WITNESS WHEREOF, Grantor has executed this Grant Deed as of
_____, 2005.

GRANTOR

By: the Redevelopment Agency of the City of Milpitas,
a public agency

Exhibit A
PROPERTY

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Grant Deed dated _____, 2005, from _____ to the Redevelopment Agency of the City of Milpitas, a public agency, is hereby accepted on behalf of the Redevelopment Agency by its Executive Director pursuant to authority conferred by Resolution No. _____, adopted by the Redevelopment Agency on _____, 2005, and that the Redevelopment Agency consents to recordation of the Grant Deed by its duly authorized officer.

Dated _____, 2005

By: _____

Agency Executive Director

ATTEST:

By: _____
Clerk

APPROVED AS TO FORM:

By: _____
Agency Counsel

EXHIBIT C
Definition of "Environmental Laws" and "Hazardous Materials"

Environmental Laws means all federal, state, local, or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees, or requirements of any government authority regulating, relating to, or imposing liability or standards of conduct concerning any Hazardous Material (as defined subsequently in this Exhibit), or pertaining to occupational health or industrial hygiene (and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property), occupational or environmental conditions on, under, or about the Property, as now in effect, including without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) and the Superfund Amendments and Reauthorization Act of 1986 (SARA) [42 USCA §§ 9601 et seq.]; the Resource Conservation and Recovery Act of 1976 (RCRA) and the Solid Waste Disposal Act [42 USCA §§ 6901 et seq.]; the Clean Water Act, also known as the Federal Water Pollution Control Act (FWPCA) [33 USCA §§ 1251 et seq.]; the Toxic Substances Control Act (TSCA) [15 USCA §§ 2601 et seq.]; the Hazardous Materials Transportation Act (HMTA) [49 USCA §§ 1801 et seq.]; the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) [7 USCA §§ 136 et seq.]; the Clean Air Act (CAA) [42 USCA §§ 7401 et seq.]; the Safe Drinking Water Act (SDWA) [42 USCA §§ 300f et seq.]; the Surface Mining Control and Reclamation Act of 1977 (SMCRA) [30 USCA §§ 1201 et seq.]; the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA or EPCRTKA) [42 USCA §§ 11001 et seq.]; the Occupational Safety and Health Act of 1970 (OSHA) [29 USCA §§ 655, 657]; the California laws regarding the underground storage of hazardous substances [H & S C §§ 25280 et seq.]; the Hazardous Substance Account Act [H & S C §§ 25300 et seq.]; the California laws regarding hazardous waste control [H & S C §§ 25100 et seq.]; the Safe Drinking Water and Toxic Enforcement Act of 1986 [H & S C §§ 25249.5 et seq.]; the Porter-Cologne Water Quality Control Act [Wat C §§ 13000 et seq.], and any amendments of or regulations promulgated under the statutes cited above and any other federal, state, or local law, statute, ordinance or regulation now in effect that pertains to occupational health or industrial hygiene, and only to the extent that the occupational health or industrial hygiene laws, ordinances, or regulations relate to Hazardous Substances on, under, or about the Property, or the regulation or protection of the environment, including ambient air, soil, soil vapor, groundwater, surface water, or land use.

Hazardous Materials includes without limitation:

- (a) Those substances included within the definitions of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste, or pollutant or contaminant in CERCLA, RCRA, TSCA, HMTA, or under any other Environmental Law;
- (b) Those substances listed in the United States Department of Transportation (DOT) Table [49 CFR §172.101], or by the Environmental Protection Agency (EPA), or any successor agency, as hazardous substances [40 CFR Part 302];
- (c) Other substances, materials, and wastes that are or become regulated or classified as hazardous or toxic under federal, state, or local laws or regulations; and
- (d) Any material, waste, or substance that is:
 - (i) a petroleum or refined petroleum product,
 - (ii) asbestos,
 - (iii) polychlorinated biphenyl,
 - (iv) designated as a hazardous substance pursuant to 33 USCA 1321 or listed pursuant to 33 USCA 1317,
 - (v) a flammable explosive, or (vi) a radioactive material.

Bond No. _____

FAITHFUL PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, that _____ as Principal, and _____, a corporation authorized to do business in the State of California and organized and existing under and by virtue of the laws of the State of _____ as Surety, are held and firmly bound unto the City of Milpitas, a municipal corporation of the County of Santa Clara, the State of California, in the sum of _____, for the faithful performance of a certain annexed contract, _____, to be paid to the City of Milpitas for the payment of which well and truly to be made, the said Principal and the said Surety, hereby bind themselves and all and singularly, their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

Signed by us and dated this _____ day of _____, 20____.

WHEREAS, the said Principal has entered into the annexed contract with the City of Milpitas to perform and complete, in strict conformity herewith and in a good and workmanlike manner: _____ in accordance with maps, plans and specifications on file in the office of the City Engineer of the City of Milpitas.

NOW, THEREFORE, the conditions of the above and foregoing obligations are such that:

If the said Principal shall faithfully perform the said contract, then the above obligation with respect to the faithful performance of said contract shall be void; otherwise to remain in full force and effect.

And that said Surety, for value received hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same, shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the work or to the specifications.

In case suit is brought upon this bond by the City of Milpitas, a reasonable attorney's fee, to be fixed by the Court, shall be paid by Principal and Surety.

IN WITNESS WHEREOF, the said Principal and Surety have executed this instrument the day and year first herein above written.

Approved as to Form:

By: _____
City Attorney

By: _____
Principal (Contractor)

Approved:

By: _____
City Manager

By: _____
Surety

Bond No. _____

**PAYMENT BOND
(Labor & Materials)**

KNOW ALL MEN BY THESE PRESENTS, that _____
_____, and _____ a corporation
authorized to do business in the State of California and organized and existing under and by virtue of the laws of
the State of _____ as Surety, are held and firmly bound unto the City of Milpitas, a municipal
corporation of the County of Santa Clara, the State of California, in the sum of _____
_____ for the benefit of
laborers and material hereinafter designated, to be paid to the City of Milpitas for the payment of which well and
truly to be made, and said Principal and the said Surety, hereby bind themselves and all and singularly, their
heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

Signed by us and dated this ____ day of _____, 20____.

WHEREAS, the said Principal has entered into the annexed contract with the City of Milpitas to perform and
complete, in strict conformity therewith and in a good and workmanlike manner:
_____ in accordance with maps, plans and specifications on
file in the office of the City Engineer of the City of Milpitas.

NOW, THEREFORE, the conditions of the above and foregoing obligations are such that:

If said principal or his or her subcontractors, their heirs, executors, administrators, successors and assigns shall
fail to pay for any materials, provisions, provender or other supplies or teams used in, upon, for or about the
performance of the work contracted to be done, or for any work or labor thereon of any kind or for amounts due
under the Unemployment Insurance Act with respect to such work or labor, then said Surety will pay the same in
or to an amount not exceeding the amount herein above specified to be for the benefit of laborers and material
and also will pay, in case suit is brought upon this bond, such reasonable attorney's fee as shall be fixed by the
Court, awarded and taxed as provided by law.

This bond, to the extent of the obligation herewith with respect to laborers and material, shall inure to the benefit
of any and all persons, companies and corporations entitled to file claims under Division 3, Part 4, Title 15 of the
Civil Code of the State of California, so as to give a right of action to them or their assigns in any suit brought
upon this bond. And that said Surety, for value received, hereby stipulates and agrees that no change, extension
of time, alteration or addition to the terms of the contract or to the work to be performed thereunder or the
specifications accompanying the same, shall in any way affect its obligations on the bond, and it does hereby
waive notice of any such change, extension of time, alteration or addition to the terms of the contract or to the
work or the specifications. In case suit is brought upon this bond by the City of Milpitas, a reasonable attorney's
fee, to be fixed by the Court, shall be paid by principal and surety.

IN WITNESS WHEREOF, the said Principal and Surety have executed this instrument the day and year first
herein above written.

Approved as to Form:

By: _____
City Attorney

By: _____
Principal (Contractor)

Approved:

By: _____
City Manager

By: _____
Surety

CITY OF MILPITAS
CERTIFICATE OF INSURANCE

General and Automobile Liability

The undersigned insurance company hereby certifies to the City of Milpitas, California that it has issued a policy of insurance bearing Policy No. _____ to _____ in connection with a certain as work of improvement generally described as _____, being a certain general and automobile liability policy which names the City of Milpitas, its officers and employees as additional insured, and which insures said City, officers and employees against liability of financial loss resulting from injuries occurring to persons or property in or about or in connection with said work of improvement, including, but not limited to, coverage for all work performed by, for or on behalf _____.

Said policy of insurance provides coverage in the following minimum amounts and for the following periods:

<u>COVERAGE</u>	<u>POLICY NO.</u>	<u>POLICY PERIOD</u>	<u>MINIMUM LIMITS OF LIABILITY</u>
1) Bodily Injury			\$1,000,000 each person \$1,000,000 each occurrence
2) Property Damage			\$1,000,000 each person \$1,000,000 each occurrence

This policy provides: (1) primary coverage for additional insured parties; if said additional insured have other insurance against loss covered by this policy, the other insurance shall be excess insurance only; (2) That said additional insured parties are not precluded from claim under this policy against other insured parties; and (3) Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City Clerk.

Insurance Company

Address of Signatory:

Authorized Signature (Sign)

Authorized Signature (Type)

VERIFICATION

I declare under the penalty of perjury that I am authorized to sign this Certificate on behalf of the above-named insurer.
Executed at _____, California, on the _____ day of _____, 20____. *

Authorized Signatory (Sign)

(Type Name)

SUBSCRIBED AND SWORN TO BEFORE ME, a
Notary Public, this _____ day of
_____, 20____.

(Sign)

(Type Name)

* If this certificate is executed outside of California, it must be sworn to before a Notary Public.

FORM APPROVED: _____, 20____, by _____

CITY OF MILPITAS
CONTRACTOR'S CERTIFICATE RELATING TO WORKER'S
COMPENSATION INSURANCE

I, THE UNDERSIGNED, HEREBY CERTIFY that at all times during the performance of any work under contract or agreement with the City of Milpitas (check one of the following):

_____ I will have in full force and effect Worker's Compensation Insurance pursuant to the attached *Certificate of Worker's Compensation Insurance* issued by an admitted insurer. Said certificate shall state that there is in existence a valid policy for Worker's Compensation Insurance in a form approved by the California Insurance Commissioner. The certificate shall show the expiration date of the policy, that the full deposit premium on the policy has been paid and that the insurer will give City at least ten (10) days advance notice of the cancellation of the policy (an exact copy or duplicate of the Certificate of Worker's Compensation Insurance certified by the Director of Industrial Relations or the insurer may be attached).

_____ I have in full force and effect and have attached hereto a Certificate of Consent to Self-insure issued by the Director of Industrial Relations (an exact copy or duplicate thereof certified by the Director may be attached).

I declare under penalty of perjury that the foregoing is true and correct and executed on this _____ day of _____, 20__ at Milpitas, California.

By: _____

Official Title

On behalf of:

Contractor

NOTE: YOUR CERTIFICATE OF WORKER'S COMPENSATION INSURANCE MUST BE ATTACHED AND MUST MEET THE REQUIREMENTS SET FORTH ABOVE.

PLEASE NOTE THAT IF YOU HAVE ANYONE WORKING FOR OR WITH YOU, YOU MAY BE REQUIRED TO HAVE WORKER'S COMPENSATION INSURANCE. FOR FURTHER INFORMATION, CONTACT THE OFFICE OF THE DIRECTOR OF INDUSTRIAL RELATIONS, 888 NORTH FIRST STREET, SAN JOSE, CALIFORNIA, TELEPHONE (408) 277-1265.

CERTIFICATE OF WORKER'S COMPENSATION INSURANCE
FOR THE CITY OF MILPITAS

The undersigned insurance company hereby certifies to the City of Milpitas, California, that it is an admitted Worker's Compensation Insurer and that it has issued a policy of Worker's Compensation Insurance bearing policy number _____ to _____. Said policy is a valid policy of Worker's Compensation Insurance issued in a form approved by the California Insurance Commissioner and is now in full force and effect. The full deposit on said policy has been paid. The expiration date of said policy is the _____ day of _____, 20____. The undersigned insurer will give said City of Milpitas at least ten (10) days advance notice of the cancellation of said policy.

Dated: _____

INSURANCE COMPANY

Address: _____

AUTHORIZED REPRESENTATIVE (Signature)

AUTHORIZED REPRESENTATIVE (Type Name)

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Milpitas, California, on the __ day of _____, 20_____.

AUTHORIZED REPRESENTATIVE (Signature)

AUTHORIZED REPRESENTATIVE (Type Name)